## **Income Tax - Professional Athletes**

How does a professional athlete who is not a resident of Colorado calculate their Colorado source income?

A nonresident member of a professional athletic team must compute the percentage of income paid by the team that was earned in Colorado. This is calculated by dividing the number of duty days spent within Colorado by the total number of duty days spent with the team during the tax year.

A duty day is any day on which the following occur:

- Game days (preseason, regular season and post season)
- Official practices
- Team meetings
- Training camp (preseason and off season)
- All star games
- Promotional "caravans"
- Participation in instructional leagues
- Training and rehabilitation activities if conducted at the team facilities.

The team must withhold Colorado income tax from athletes (as well as other team members such as coaches, managers and trainers) based on the number of duty days spent in Colorado. The total of all wages, salaries, and bonuses earned from the start of the preseason through the end of the post season plus any compensation earned on duty days during other times of the tax year will be subject to Colorado tax and withholding.